



## FINANCE AND ADMINISTRATION CABINET

**Ernie Fletcher**  
Governor

**Robbie Rudolph**  
Secretary

### NEWS FROM KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY

P.O. Box 798, Frankfort, KY 40602-0798  
[www.kheaa.com](http://www.kheaa.com)

Contact: Lori Powers  
Phone: (502) 696-7378  
E-mail: [lpowers@kheaa.com](mailto:lpowers@kheaa.com)

#### Financial Aid Tip of the Month, June 2006

#### Kentucky students can save big with borrower benefits

Kentucky college students and parents can save lots of money if they take their loans from The Student Loan People<sup>sm</sup>. The Student Loan People is the state's only nonprofit student loan provider and offers the best borrower benefits available.

The savings begin when a borrower first takes out a loan. The Student Loan People offer zero origination fees and pay the guarantee fee for its Federal Stafford Loan borrowers. Students save money immediately. When it's time to repay the loans, borrowers get an interest rate reduction if payments are automatically deducted from a bank account as well as a credit to the original loan principal after making the first 30 monthly on-time payments.

Parents, graduate students and professional students are eligible for Federal PLUS Loans. They will pay no guarantee fee and receive an interest rate reduction when the loan funds are fully disbursed. Borrowers must make timely payments to keep this benefit. As with Stafford Loans, PLUS Loan borrowers may also qualify for the interest rate reduction for automatic payments and a credit to the original principal for making the first 30 monthly on-time payments. These benefits can save borrowers hundreds of dollars when repaying their loans.

Borrowers who become teachers, nurses or public service attorneys in Kentucky may be able to save thousands of dollars in interest and principal forgiveness through The Student Loan People's Best in Class, Best in Care and Best in Law programs. Parents may also qualify for those benefits if they are teachers, nurses or public service attorneys taking out PLUS Loans to pay for their children's education.

To learn how to plan and prepare for higher education, visit [www.GoHigherKY.org](http://www.GoHigherKY.org). For more information about Kentucky scholarships and grants, visit [www.kheaa.com](http://www.kheaa.com); write KHEAA, P.O. Box 798, Frankfort, KY 40602-0798; or call (800) 928-8926, ext. 7381. For more information about student loans, visit [www.studentloanpeople.com](http://www.studentloanpeople.com); write The Student Loan People, P.O. Box 24328, Louisville, KY 40224-0328; or call (888) 678-4625.

-30-

The Student Loan People make no representation, offer or promise to be relied upon about continued availability of loan benefits or about the accuracy or completeness of this printed information. Benefits may change or be cancelled without notice, at any time, by operation of applicable laws or by The Student Loan People, for any reason at its sole discretion. Students are encouraged to contact The Student Loan People each year they expect to receive benefits to verify eligibility for and availability of the loan benefits/programs and to contact a tax advisor about tax consequences of loan benefits.